

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Planning and Building	(2) MEETING DATE 10/14/2014	(3) CONTACT/PHONE Jim Bergman, Director/781-5708	
(4) SUBJECT Report on Department of Planning and Building Priorities. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board provide direction regarding any changes to the department priorities as set by the department.			
(6) FUNDING SOURCE(S) Department Budget	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT { } Consent { } Presentation { } Hearing (Time Est. ____) { X } Board Business (Time Est. 30 min)			
(11) EXECUTED DOCUMENTS { } Resolutions { } Contracts { } Ordinances { X } N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: { } 4/5 Vote Required { X } N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY { } N/A Date: <u>Sep, Oct, Nov 2008; Jan, Feb, Sep 2009; Jan, Aug, Nov 2010; Jan, Ma, Jun, Oct 2011; Feb, Oct 2012, Feb, Oct, Dec 2013, Mar 2014.</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Lisa M. Howe			
(18) SUPERVISOR DISTRICT(S) All Districts			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Planning and Building / Jim Bergman, Director

DATE: 10/14/2014

SUBJECT: Report on Department of Planning and Building Priorities. All Districts.

RECOMMENDATION

It is recommended that the Board provide direction regarding any changes to the department priorities as set by the department.

DISCUSSION

Background

Beginning in October of 2008, the Department of Planning and Building has been providing reports to the Board of Supervisors on department workload and priorities. On March 11, 2014, the department presented the latest comprehensive priority and workload update to the Board.

Four Guiding Department Priorities

As part of past actions, the Board has established four guiding priorities for the department. These guiding priorities are used during preparation of the department budget each fiscal year and to determine which projects are a part of the "Priority" list.

- (1) Paying customers are not adversely affected;
- (2) Mandates are accomplished;
- (3) That the department should focus on those items that forward the goals and the implementation of a Comprehensive County Energy Strategy; and
- (4) That the department should focus on those items that forward the goals and the implementation of a County Economic Strategy.

Department Priorities

The department had set four areas to focus on during FY 2014-15 using the four guiding priorities as defined above. These four focus areas are referred to as BELS and include:

- **Balance** (of human needs, growth, a safe built environment and limited natural and economic resources),
- **Education** (promote the values of good planning and building through education and outreach),
- **Leadership** (results oriented leadership that promotes empowerment, transparency, trust, respect and teamwork), and
- **Service** (serve our community with timely and professional service to our customers and stakeholders).

In addition to presenting the priority workload update for the Board's consideration, the Management Team has included its own six month program which is being implemented to assist in better achieving completion of the current and future priority lists.

Embracing Change

Since the last priority and workload update, the department has been transitioning to a new director and has seen the retirement and internal promotion of a Division Manager. The department will continue to see high level staff changes in the next six months with the anticipated retirement of three high level staff who each have over 25 years of service. In addition to the retirement of long-term employees, the department is adjusting to more complex and comprehensive State Building Codes and storm water regulations, the recovering construction industry, an increasingly complex development environment, and the influence of single issue regulatory agencies. These events give the department an opportunity to prepare for the future by embracing change and examining our focus to meet our stated budget priorities.

Management Team Priorities

During the next six months, the Management Team will focus on the department functions of “Permitting” and “Policy and Programs.”

Permitting

“Permitting” includes all functions of the Current Planning, Environmental Review, and Building Divisions. Grouping these functions will work to reduce silo thinking and place an emphasis on moving projects seamlessly through the entitlement and building permit process and assist in implementing the department priorities. In the next six months, the Management Team will discuss and develop the following strategies based upon the BELS focus areas:

- Focus on efficiently and effectively moving projects to decision makers [Balance, Service];
- Improve project management systems and education to establish achievable timelines and staff accountability, and provide applicants with a predictable process [Leadership, Service];
- Continue to develop information distribution through the department’s webpage [Leadership, Service];
- Assist the staff and local architects and builders to learn the new State Building Codes and storm water regulations in order to reduce the backlog of plans and to reduce review and inspection times [Education, Service]; and
- Investigate a modern project tracking system for the department and hardware for field personnel [Leadership, Service].

Policy and Programs

Policy and Programs is now a combination of Long Range Planning, Housing and Economic Development, Energy Programs and Water Policy. Although on the surface these sections appear highly diverse, at their core they have a common mission to assist in the creation of achievable policies, develop effective programs, and whenever possible, acquire outside funds to create improvements in the communities we serve. In the next six months, the Management Team will discuss and develop the following strategies based upon the BELS focus areas:

- Improve project management systems to establish achievable timelines and staff accountability [Leadership, Service];
- Develop improvements to the grant management process to meet new Housing and Urban Development (HUD) requirements for Community Development Block Grants (CDBG), Home Investment Partnership Act (HOME) funds, and Emergency Solutions Grants (ESG) [Balance, Leadership, Service];
- Reestablish an active role in infrastructure planning, funding, and development [Balance, Leadership, Service];
- Develop a strategy to better position the department to compete for funds for physical improvements in our communities [Balance, Leadership, Service];
- Determine a method to allow planning staff to be more present in the communities we serve [Education, Service]; and
- Review community plan updates for economic feasibility to assist in prioritization of programs and partners [Balance].

Attached Tables

The attached tables have been updated and reflect both the priorities as set forth by your Board and the adopted FY 2014-15 budget (See Exhibit A for additional information). The shaded items in the tables note the current and proposed "Top" priorities. The tables also note where a project or program is an implementation measure identified in an adopted General Plan Element. In addition, the tables reflect additional business operation and technical support priorities that are needed to provide improvements to customer service and to increase County operational effectiveness, such as the conversion of microfiche to scanned documents and the replacement of the permit tracking system. Tables 4, 5, and 6 include all programs from the County's General Plan. The last column notes which, if any, of the four guiding priorities apply. For a summary of the content included in Tables 1 – 6, refer to Exhibit A.

Status of Top Priorities

The department maintains an active list of priorities. The department is recommending a revised priority list based on previous decisions and direction from the Board of Supervisors.

Completed Priority Items

The following items were completed since the March 2014 update.

- **Complete E-Permitting for Specific Photovoltaic Systems.**
Status: Complete. The Department completed the development of an e-permit process for specific photovoltaic system permits. This system now allows the permitting process to take place entirely on-line.
- **Implement an "emPower" Program in San Luis Obispo County**
Status: Complete and transitioning to an ongoing program. This program was approved on April 1, 2014 which expands the Santa Barbara County's comprehensive energy efficiency and financing program for homeowners in San Luis Obispo County.
- **Complete the public Review Draft of the Housing Element Update Consistent with State Mandates.**
Status: Complete and Certified by the State Office of Housing and Community Development (HCD). Housing Element Update (2014 -2019) was certified on September 8, 2014 by HCD.
- **Prepare a 'Complete Communities' Survey**
Status: Complete. The department completed community infrastructure needs assessments and funding and financing plans and strategies for the communities of San Miguel, Nipomo, Oceano, and Templeton. The results were reported to your Board in April 2014. Staff made minor revisions in response to Board direction, and the revisions will be brought back to the Board in early October for final review.

Proposed Top Priorities

Based on direction from your Board, the department proposed the "Priority List" and update as follows:

- **Complete Paso Robles Groundwater Basin (PRGWB) Urgency Ordinance Implementation.**
Status: In Progress. On August 27, 2013, your Board adopted an Urgency Ordinance covering a majority of the PRGWB that requires new uses to offset their water demand at a ratio of 1:1 and new wells to be metered and monitored by the property owner. On October 1, 2013, your Board took action to provide direction to staff relative to implementation of the ordinance. Implementation includes preparation of a County Approved Conservation Program for both new development (residential and commercial) and agricultural offsets. The new development offset program was approved by your Board on February 25, 2014 and began in April 2014. The agricultural offset program is being completed by the Upper Salinas-Las Tablas Resource Conservation District and will be ready for review by your Board on October 28, 2014. Implementation of the ordinance, including vested rights determinations, is ongoing.

- **Complete the Public Review Drafts of Various General Plan and Ordinance Amendments Relating to Water Demand and Supply.**
Status: In Progress. In May 2014, your Board directed staff to begin work on five water programs: retrofit on sale, new landscape requirements, water neutral new development in Level of Severity III basins (including new irrigated agriculture), water waste prevention, including agricultural water waste, and providing incentives for reductions in outdoor water use. In July 2014, your Board directed the department to prioritize these programs so that water neutral new development and water waste prevention ordinances are brought to the Board prior to the expiration of the Paso Robles Groundwater Basin Urgency Ordinance on August 27, 2015.
- **Complete the Draft Los Osos Habitat Conservation Plan (begin Fish and Wildlife agency review) and Begin the Los Osos Community Plan Update.**
Status: In Progress. Consultation between agencies and County staff is occurring on the Habitat Conservation Plan and Environmental Impact Report/Environmental Assessment. Public review of the draft plan and EIR/EA is scheduled to be released in winter 2015. The Board authorized preparation of the Los Osos Community Plan update in December 2012. Initial public outreach for the community plan was conducted through LOCAC and a staff-prepared on-line community survey. In the next few months, a consultant will be selected to prepare an Environmental Impact Report. A Public Review Draft Community Plan is expected to be released in early 2015. It will be consistent and coordinated with the draft groundwater Basin Management Plan and the draft Habitat Conservation Plan.
- **Complete the Draft of a Renewable Energy Combining Designation and Related Ordinance Amendments for Implementation.**
Status: In Progress. The California Energy Commission (CEC) has awarded the County a Renewable Energy and Conservation Planning Grant of \$638,152 to fund a Renewable Energy Streamlining Program. The program includes amendments to revise policies, combining designations and ordinances to streamline development of renewable energy projects in areas of the county that meet selected criteria. Also includes preparation of an Environmental Impact Report (EIR) that evaluates specific areas proposed for a new Renewable Energy (RE) combining designation based on mapping of resources, infrastructure and constraints. The grant agreement with the CEC was approved by your Board on July 9, 2013, and a contract for a consultant team to perform the work in conjunction with County staff was approved on August 13, 2013. The consultant team has conducted initial stakeholder interviews, prepared an opportunities and constraints analysis, together with extensive mapping, which is posted to the department website. The draft streamlining program and Draft EIR are expected to be released at the beginning of November 2014. Planning Commission and Board of Supervisors hearings are expected to begin in January and February 2015, respectively. The County needs to take final action on the RESP program in March 2015 per the terms of the grant agreement.
- **Complete Workforce Housing Policy Amendments**
Status: In Progress. Amendment by the County of San Luis Obispo of Title 22 of the County Code, and the Land Use Ordinance, to incorporate a Workforce Housing Ordinance. The requested modifications include the creation of a pilot program encouraging the development of housing that is affordable to San Luis Obispo County's workforce. This is accomplished through reduced minimum lot sizes and flexible development criteria for standard subdivisions. Workforce housing subdivisions are meant to facilitate the creation of small fee-simple lots to accommodate infill housing within existing communities. Workforce housing subdivisions would be a development tool available in Residential Single-Family or Residential Multi-Family land use categories within the Inland areas of the County.
- **Resource Management System Biennial Report**
Status: In Progress. This report on the status of resources and infrastructure is being prepared with the assistance of a consultant. The data collection phase of the report is almost complete. The report will be completed after the Board considers and adopts changes to the Resource Management System in December 2014. Following public review, including review by the Water Resources

Advisory Committee, the Board is expected to consider the Biennial Report in February 2015.

- **North County Service Center**

Status: In Progress. For the first time, we now provide planning and building services in the north county. We opened on July 14th and have seen a steady increase in customers each week. We are open three days per week (M-W-F). We are finding that being in the same office with the Clerk-Recorder and Assessor is helpful to all our customers. Staff will continue to collect customer data and formulate future staffing recommendations to improve service levels.

- **Update the San Miguel Community Plan.**

Status: In Progress. Following a successful community outreach process and preparation of an administrative draft plan by the City and Regional Planning Department at Cal Poly, the Board, on November 1, 2011, authorized the community plan update. Grant funding was received to complete technical background reports most of which are complete. A public review draft of the Community Plan update was released in June 2013. The preparation of an Environmental Impact Report is underway. The Draft Environmental Impact Report and Public Hearing Draft community plan are expected to be released in spring 2015. This comprehensive community-based plan will help shape new growth and development, enhance the quality of life, and bring vitality to San Miguel.

- **Prepare Ordinance Amendments to Revise Standards to Encourage In-Fill Development.**

Status: In Progress. The department received a grant to complete amendments that would evaluate and revise existing ordinances to facilitate development in-fill sites in urban areas in compliance with the County's strategic growth policies. A Request for Proposal process was completed and a consultant was chosen. Public outreach has occurred. The consultant and staff prepared a phased set of ordinance amendments to encourage infill development that fits in with existing neighborhoods and community character. The first phase of amendments focuses on permit streamlining for infill development. The consultant also prepared a "Great Communities Design Toolkit" that illustrates a range of "development types," along with examples of planning and design recommendations. The toolkit contains guidelines and is an informational document. It is already being used as a public outreach tool as part of the San Miguel and Los Osos Community Plan updates.

Summary

The attached tables illustrate that the department has a large number of programs being worked on in addition to many complicated permit applications (see Exhibit B for a representative sample of major development projects in process). The four guiding priorities established by your Board are directing how the department is prioritizing completion of these programs and permit applications. Timing of completion is based on the availability of staff resources, the need to complete mandated programs and continuing to provide responsive service to our customers who are processing applications for permits.

In order to complete the items that are on the department's workload tables and on the Priority List, all staff as currently allocated under the department's Position Allocation List (PAL), including the additional limited term positions, are completely assigned (including vacant positions). In March, staff recommended postponement of a number of items on the list. As other projects are completed, work will begin again on postponed projects.

Currently the department estimates that in order to complete the revenue generating items on Table 1, 44.75 FTE (full time equivalent) positions are needed. The mandated and budgeted programs on Tables 2 and 3 require an approximate additional 50.75 FTE positions. The department currently has 95.5 FTE positions on the Position Allocation List (PAL) and at this time, six of these positions are vacant.

The Planning and Building Department will continue to provide updates to your Board relative to the department's priorities and progress towards completion of our assigned workload. The next update will be in March 2015.

OTHER AGENCY INVOLVEMENT/IMPACT

The department regularly coordinates with County Counsel, Public Works, County Parks, Agricultural Department, Environmental Health, Air Pollution Control District, Local Agency Formation Commission, San Luis Obispo Council of Governments, Airport Land Use Commission, Cal Trans, Cal Fire, and California Coastal Commission. Continued collaboration and coordination between these agencies and others will occur as the department strives to continuously improve.

FINANCIAL CONSIDERATIONS

Completion of programs that are not revenue-offset requires General Fund support. The level of General Fund support is determined each fiscal year through the department's approved budget. In the adopted budget for FY 2014-15, revenues are at \$7,040,872, expenditures at \$12,903,143 and General Fund support at \$5,862,271.

RESULTS

The discussion with the Board will provide more clarity about the overall workload, priority of workload items and specific programs for the department to focus on FY 2014-15 and looking ahead at budgeting for FY 2014-15, consistent with the countywide goal of a Well-Governed Community.

ATTACHMENTS

1. Exhibit A - Description of Tables 1 - 6 / Guiding Priorities and Tables 1, 2, 3, 4, 5, and 6
2. Exhibit B - Representative Sample of Major Development Projects in Process
3. Exhibit C – Revised Department Organization Chart